GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3469
ANSWERED ON:23.12.2008
DOMESTIC DEMAND FOR TEA
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the domestic demand for Tea has considerably increased in the country;

(b) if so, the details regarding domestic consumption of Tea during each of the last three years and the current year;

(c) whether the spurt in domestic demand has also led to increase in the international demand for Tea as well as rise in the prices at home and abroad; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) : The domestic demand for tea has increased in the country from the level of 693 million kgs in 2002 to 786 million kgs in 2007.

(b) : The domestic consumption of tea in the country during the last three years and current year is as under :

Year	Domestic Consumption (Million Kgs)
2005	757
2006	771
2007	786
2008	802(E)

(E) : estimated

(c) & (d) : The statistics of domestic and Global demand for tea are given below :

(Figures in Million Kgs)

Year	Estimated Domestic Consumption of tea in India	World Absorption of tea
2002	693	2,224
2003	714	2,233
2004	735	2,324
2005	757	2,388

2006 771 2,405

2007 786 2,430

Increase (+) or decrease (-) in 2007 over 2002 12 % 8 %

The prices of tea are fluctuating. The prices of tea started declining in India since the end of 1999 and continued upto mid of 2005. Since mid 2005 the domestic prices as well as the International prices have started increasing steadily and still continuing during the current year. The price scenario since 2003 till October 2008 at home and abroad is given below :-

Year Avg. Price (All India)(Rs/Kg)

2003 56.03

2004 64.54

2005 58.05

2006 66.01

2007 67.40

2008 (Jan-Oct) 84.36

2007 (Jan-Oct) 66.38

AUCTION PRICES IN MAJOR TEA PRODUCING COUNTRIES

(Price in U S Dollar per kg.)

Year	Indian tea at Indian Auction	Sri Lankan tea at Colombo Auction	African tea at Mombassa Auction
2003	1.20	1.54	1.54
2004	1.42	1.78	1.55
2005	1.32	1.84	1.47
2006	1.46	1.90	1.93
2007	1.62	2.51	1.66
2008 (Jan-Oct)	1.99	2.97	2.29
2007 (Jan-Oct)	1.59	2.43	1.65